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REVIEW OF THE WORK PROGRAMME OF THE STANDING COMMITTEE WITH SPECIAL EMPHASIS ON THE PREPARATIONS FOR UNCTAD IX

Report by the UNCTAD secretariat

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I. BACKGROUND

1. From the inception of the United Nations Conference on Trade and Development and until its eighth session, UNCTAD's activities in the commodities area were the responsibility of the Committee on Commodities. This Committee was established by the Trade and Development Board at its first session in 1965 as one of the main Committees pursuant to resolution 1995 (XIX) of the General Assembly and the Final Act adopted by the Conference at its first session. The activities of the Committee were fairly wide and were undertaken simultaneously in different areas in order to: (a) promote general and integrated policies in the commodity field; (b) co-ordinate the activities of all bodies involved in the commodity field; (c) undertake and publish studies on trade in commodities and market reviews; and (d) promote and encourage the conclusion of international stabilization agreements or other commodity arrangements, including recommendations to convene negotiating conferences.

2. The eighth session of UNCTAD, held in Cartagena, Colombia, in February 1992, adopted a far-reaching revision of UNCTAD's intergovernmental machinery and methods of work. Within the framework of this revision, the previously existing main committees were suspended and four standing committees and five ad hoc working groups were established, among them the Standing Committee on Commodities. The terms of reference of the Committee were adopted by the Trade and Development Board at the second part of its thirty-eighth session in May 1992. The main objectives include:[1]

(a) To promote sound, compatible and consistent policies in the commodity field;

(b) To undertake reviews, studies and analyses of the situation of, and prospects for, commodities, and to compile statistical reports;

(c) To undertake analyses and identify approaches on commodity policies bearing in mind Conference resolution 93(IV) and the particular characteristics and situation of individual commodities, including the particular problems of the least developed countries;

(d) To facilitate and coordinate activities of bodies involved in the commodity field;

(e) To follow and facilitate intergovernmental consultations and action among interested countries on the problems of particular commodities or groups of commodities; to analyse the need for, and encourage when considered necessary, the achievement of viable and efficient international agreements or arrangements, as well as study groups, both autonomous and within UNCTAD.

3. While a number of international and regional organisations, autonomous commodity bodies, study groups and other groups carry out commodity-related work, the Standing Committee on Commodities has been the only intergovernmental body with open, universal membership which deals exclusively with issues related to a wide

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[1] For the whole text of the terms of reference of the Standing Committee on Commodities, see TD/B/1323 (Vol. II), July 1992.

range of commodities. It has served as a vehicle for reaching a broad consensus on the policies and actions required at the international level in the commodity field. Taking account of the diversity of country situations and experiences, the Committee has also provided a forum for the exchange of information and national experiences between Governments, international and regional organisations and other bodies on commodity issues so as to enable Governments to draw appropriate lessons in order to enhance the development prospects of their countries.

II. WORK PROGRAMME AND STATUS OF IMPLEMENTATION

A. The Standing Committee on Commodities

4. Secretariat activities in the field of commodities and the issues to be examined and discussed at sessions of the Standing Committee on Commodities were determined in accordance with the terms of reference of the Committee and its wide-ranging work programme, which was adopted by the Standing Committee at its first session, held in October 1992.[2] The work of the Standing Committee on Commodities and that of the secretariat was defined within the framework of 18 substantive items which were classified under six main headings, namely:

(a) Situation and prospects for commodities;

(b) Contribution to the improvement of the functioning of commodity markets;

(c) Compensatory financing mechanisms;

(d) Reducing excessive dependence on primary commodities;

(e) Fostering sustainable development in the commodity field;

(f) Technical cooperation in the field of commodities.

5. At its second session, held from 31 January to 4 February 1994, the Standing Committee on Commodities considered issues under all the above headings of its work programme and agreed upon activities to be undertaken in a number of areas with a view to providing support to commodity-dependent developing countries. In accordance with the Trade and Development Board's decision restricting the number of substantive items to no more than two per Committee session, the third session of the Committee, held from 31 October to 4 November 1994, examined one issue covered by heading (e) and another issue combining items covered by headings (a) and (d) above. One of the issues to be treated by the Standing Committee during its fourth session of 30 October - 3 November 1995 will be a combination of certain items covered by heading (e) and the other issue combines elements from headings (a), (b) and (d).

6. The substantive documents prepared by the secretariat for the second session

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[2] See TD/B/39(2)/4, annex I, December 1992.

of the Committee included seven reports, which were accompanied by a number of background documents. For each of the third and fourth sessions, two main reports were prepared, together with background documents. In addition, a number of technical papers were submitted by experts participating in workshops and expert group meetings organized by UNCTAD.

7. The second session of the Standing Committee focused its deliberations under heading (a) above on the issue of identification and analysis of factors affecting commodity markets with a view, inter alia, to reducing distortions. The Committee agreed that the removal of commodity market distortions calls for sound, compatible and coherent market-oriented policies at the national and international levels, for economic and policy instruments recognizing the specificity of commodity and country situations, and for a strengthening of producer-consumer cooperation. The Committee further identified a number of areas as ones in which concerted action may be necessary.

8. Under heading (b), the Committee analysed ways of improving the efficiency and use of existing mechanisms for the management of risks arising from commodity price fluctuations. The Committee endorsed the policy proposals of the Group of Experts on Commodity Exchanges and requested the Secretary-General of UNCTAD to forward them to the responsible authorities within member countries. It endorsed the areas requiring further investigation and training/advice/information proposed by the experts and decided to pursue this work through an ad hoc group of experts. In connection with issues covered by heading (b), the Committee also noted with satisfaction the positive developments in producer/consumer cooperation, in particular the successful negotiation in UNCTAD of new international agreements on sugar and cocoa, the conclusion of the negotiation on tropical timber, preparations to renegotiate the agreement on natural rubber, and a number of other developments.

9. The Committee examined the only item under heading (c) on the basis of a document prepared by the secretariat and agreed to continue to review developments in compensatory financing facilities and to analyse further problems stemming from commodity-related export earnings shortfalls of developing countries, particularly the least developed countries.

10. Under heading (d), the Committee considered the analysis of national experiences in horizontal and vertical diversification, including the possibilities for crop substitution. It observed that several conditions were necessary for the success of horizontal and vertical diversification, namely: (i) appropriate national policies, particularly as regards the macro-economic framework, government services and measures to encourage and facilitate active private sector initiatives; (ii) liberalized market access, including reduction of tariff escalation; (iii) financial and technical support from the international community; and (iv) overcoming and removing barriers to exit.

11. Under heading (e), the Committee considered national experiences in the management of natural resources with regard to commodity production, as well as experiences concerning environmental effects of commodity production and processing. The Committee attached great importance to the issue of fostering sustainable development in the commodity field and agreed on areas requiring special attention in this respect It welcomed the participation of UNCTAD in the organization of the international conference on development, environment and mining and requested the secretariat to prepare a report on this conference for submission to the third session of the Committee.

12. As the only item under heading (f), the Committee examined the issue of the identification of areas in which technical cooperation should be strengthened. It recognized the importance of past and ongoing technical cooperation activities of the secretariat in the field of commodities and recommended that these activities be continued and strengthened.

13. The third session of the Standing Committee on Commodities focused its deliberations under headings (a) and (b) on the analysis of ways and means to improve market opportunities for commodities in the medium term, with emphasis on examination of the best ways of achieving diversification, taking into account competitiveness, market trends and opportunities. The Committee noted that a strong commodity sector was a good basis for export diversification and that problems on the supply side and a lack of competitiveness in the commodity sector had been important impediments to the economic performance of many commodity-exporting countries, particularly in Africa. The Committee was of the view that a number of identified reforms, policies and measures were necessary for the success of diversification efforts. It also observed that improved marketing would be an important tool for improving the export possibilities of commodity-exporting developing countries and noted that UNCTAD's work in the field of trade efficiency would be of help to developing countries in this regard.

14. Under heading (e), the Committee focused on identification of means by which the competitiveness of natural products with environmental advantages could be improved. The Committee observed that commodity production could provide significant environmental services when carried out sustainably, while improved competitiveness and increased utilization of environmentally friendlier products could also help in increasing the foreign exchange resources of developing countries from which many such products originate. The Committee considered that further work on these issues was necessary in UNCTAD and that the secretariat should continue its excellent analysis in this area, placing emphasis on theoretical and practical work regarding the internalization of environmental externalities. The Committee also requested the UNCTAD secretariat to intensify its research in the areas of environmental implications of production, reasonable logistical aspects in transportation, consumption and disposal of products, as well as the links between economic policies and the environment. The secretariat was also urged to undertake work to improve the applicability of life cycle analysis to commodity issues.

15. At its third session, the Committee also noted with appreciation the policy recommendations made by the Group of Experts on Risk Management and requested the secretariat to disseminate widely the very useful information it had assembled on commodity price risk management techniques through appropriate modalities so that local awareness of these techniques and instruments could be enhanced. It urged the secretariat to continue its work on commodity risk management, particularly in regard to fundamental policy and institution building issues.

B. Other institutional arrangements

16. In accordance with paragraph 7 of its terms of reference, at its first session the Standing Committee on Commodities decided to establish, as its subsidiary organs, the Intergovernmental Group of Experts on Tungsten and the Intergovernmental Group of Experts on Iron Ore. Work related to these bodies is discussed in chapter III below.

17. In response to the new mandate on risk management agreed by Governments at UNCTAD VIII in 1992, the Secretary-General of UNCTAD convened the Group of Experts on Commodity Exchanges, which met in May and September 1993 to examine (a) conditions, both technical and regulatory, for encouraging maximum participation in, and use of, commodity exchanges by both buyers and sellers of commodities and (b) proposals to address these conditions. The Group focused on technical and regulatory conditions prevailing on commodity exchanges, as well as on conditions which would enable participants from developing countries to access these markets. The Group formulated a concrete action plan to enhance such access, calling for a stronger training effort, larger support by the international community for the development of required institutional

infrastructure, and practical assistance by the international community in a number of specific areas.

18. Participants in the Ad Hoc Working Group of Experts on Risk Management in Commodity Trade, convened in October 1994, considered issues related to: (a) national institution-building to facilitate access to risk management markets for small producers and traders, particularly from developing countries and countries in transition; and (b) counterpart and sovereign risk obstacles to improved access to risk management markets: issues involved, problems and possible solutions. The Group found that commodity producers and exporters would have to have increased knowledge and access to more sophisticated risk management techniques than those currently used and made policy recommendations concerning the establishment of a proper institutional framework, as well as possible actions in order to enhance the capacity to provide collateral for risk management transactions.

III. PRODUCER/CONSUMER COOPERATION ON COMMODITIES SINCE UNCTAD VIII

19. The importance of producer and consumer cooperation was reaffirmed in "A New Partnership for Development: The Cartagena Commitment", adopted by UNCTAD VIII in 1992. In this document the Conference urged producers and consumers of individual commodities to make an examination of ways and means of reinforcing and improving their cooperation. Recognizing that such cooperation could take various forms, it stressed that they should take into account the particular characteristics and situation of each individual commodity. Substantive negotiations between producers and consumers should be pursued with a view to achieving viable and more efficient international agreements that take into account market trends. In this regard, the Conference underlined that particular attention should be paid to the agreements on cocoa, coffee, sugar and tropical timber. The Conference also underlined the importance of full and active participation by consumers and producers in international commodity agreements and arrangements and urged that occupational health and safety matters, technology transfer and services associated with the production, marketing and promotion of commodities, as well as environmental considerations, be taken into account. The Conference also agreed that cooperation among producers and consumers should be strengthened, especially in situations of large stock overhangs.

20. At Cartagena it was also agreed that international cooperation should aim at "achieving a better functioning and enhanced transparency of commodity markets, greater diversification of the commodity sector in developing economies within a macro economic framework that takes into consideration a country's economic structure, resource endowments, and market opportunities, and better management of natural resources which takes into account the necessities of sustainable development". This would necessarily involve sound policies in both developed and developing countries, but the success of such policies is crucially dependent on their compatibility and consistency, which can only be achieved within the context of a coherent and effective international commodity policy. So far, however, the translation of objectives agreed upon by the international community at various instances into implementable measures and actions has been sporadic; a coherent international commodity policy lending itself to full implementation has remained elusive. Moreover, initiatives at the national level by important actors in the commodity area to fill the vacuum have, in many cases, been inconsistent with global objectives.

21. The inability of the international community to develop and implement an agreed and coherent international commodity policy is evident in two features of the current situation regarding commodities. The first is that the wide divergencies in positions adopted by countries in the negotiations in the Uruguay Round concerning agriculture, tropical products and natural-resource-based products significantly reduced the scope for trade liberalization in such products. In consequence, the basic issues of oversupply, stock overhangs, market access restrictions, consumption taxes and subsidies confronting most commodities will still remain; this is discussed further in the document prepared by the secretariat as background information for agenda item 4 (TD/B/CN.1/30) of the present session. The second feature is the weakening of the content of producer-consumer and producer cooperation. With commodity prices depressed, the desire for price stabilization measures in the context of commodity agreements has waned. Consumers are, in view of the abundance of supply, not particularly concerned about security of supplies, and many producers appear to be more concerned about competing for market shares than in maintaining price levels. In addition, in respect of various commodity agreements, important producers and/or consumers are not members. For example, Indonesia and the United States are not members of the International Cocoa Agreement, 1993, and a number of countries with economies in transition are not members of the International Coffee Agreement, 1994.

22. Since UNCTAD VIII, seven international commodity agreements (on cocoa, coffee, natural rubber, olive oil and table olives, sugar, tropical timber and wheat) have been negotiated. One international study group, on copper, commenced its operations, and an intergovernmental group of experts within the framework of UNCTAD, on iron ore, having been suspended by UNCTAD VIII, was re-established. In addition, an intergovernmental group of experts on tungsten was established, as a successor to the Committee on Tungsten.

Cocoa

23. The International Cocoa Agreement, 1986, which was due to expire on 1 October 1993, was replaced by the International Cocoa Agreement, 1993 (TD/COCOA.8/17/Rev.1), established on 16 July 1993 by the United Nations Cocoa Conference, 1992, held in five parts in 1992 and 1993. The 1993 Agreement contains no price stabilization measures. However, it provides for new economic provisions encouraging the balanced development of production and consumption so as to secure the best equilibrium between supply and demand. The new production policy, referred to as the production-management plan, is to be adopted by the exporting members. The International Cocoa Council is requested to adopt annual forecasts of world production and consumption to be revised annually. The exporting and importing members are requested to establish indicative figures for annual levels of global production necessary to achieve and maintain equilibrium between supply and demand. In the light of these indicative figures, exporting member countries are to implement the production-management plan and each of them to draw up a programme for the adjustment of their production, for the policies and measures of which they would be responsible.

24. The 1993 Agreement entered into force on 22 February 1994. The duration of the Agreement is five cocoa years (i.e. until 30 September 1998). It may be extended for two periods not exceeding two cocoa years each. As at 30 June 1995, the following countries were members of the Agreement: Belgium; Brazil; Cameroon; Côte d'Ivoire; Czech Republic; Denmark; Ecuador; European Economic Community; Finland; France; Gabon; Germany; Ghana; Greece; Grenada; Hungary; Ireland; Italy;

Jamaica; Japan; Luxembourg; Malaysia; Netherlands; Nigeria; Norway; Russian Federation; Sao Tome and Principe; Sierra Leone; Slovakia; Spain; Sweden; Switzerland; Togo; Trinidad and Tobago; and United Kingdom.

Coffee

25. The International Coffee Agreement, 1983, which was due to expire on 1 October 1994, was replaced by the International Coffee Agreement, 1994, approved on 30 March 1994 by the International Coffee Council. The new Agreement does not include economic provisions, but stipulates the possibility of the eventual introduction of economic clauses. It further recognizes the desirability of achieving a balance between production and consumption so as to avoid excessive fluctuations in prices. The International Coffee Council was requested to establish a system of indicator prices and to provide for the publication of a daily composite indicator price. In order to facilitate the collection of statistics on the international coffee trade and to ascertain the quantities of coffee which have been exported by each exporting member, the Council was requested to establish a system of Certificates of Origin. Every export of coffee by an exporting member is to be covered by a valid Certificate of Origin.

26. The International Coffee Organization is to promote the preparation of studies and surveys concerning the economics of coffee production and distribution, the impact of governmental measures in producing and consuming countries on the production and consumption of coffee, and the opportunities for expansion of coffee consumption for traditional and possible new uses. Pursuant to Article 30 of the Agreement, the Council may examine the possibility of negotiating a new International Coffee Agreement including an Agreement which could contain measures designed to balance the supply and demand for coffee, and take such actions as it deems appropriate.

27. The Agreement entered into force on 1 October 1994. It is to remain in force for a period of five years until 30 September 1999. The Agreement may be extended for such period as the Council shall determine. As at 30 June 1995, the following were the members of the Agreement: Angola; Belgium; Brazil; Burundi; Colombia; Congo; Costa Rica; Côte d'Ivoire; Cuba; Cyprus; Denmark; Ecuador; El Salvador; Equatorial Guinea; European Community; Finland; France; Gabon; Germany; Greece; Guatemala; Guinea; India; Indonesia; Ireland; Jamaica; Japan; Kenya; Luxembourg; Madagascar; Malawi; Netherlands; Norway; Papua New Guinea; Paraguay; Spain; Sweden; Switzerland; Thailand; Trinidad and Tobago; Uganda; United Kingdom; Zaire; and Zambia.

Copper

28. International cooperation in the field of copper has recently taken the institutional form of the International Copper Study Group, which was formally established in January 1992 and started effective operations in the course of 1993. The Terms of Reference of the International Copper Study Group (TD/COPPER/15), established by the UN Conference on Copper, 1989, entered into force on 23 January 1992. The main functions of the Study Group are: "to conduct consultations and exchanges of information on the international copper economy; to improve statistics on copper; to undertake regular assessments of the market situation and outlook for the world copper industry; to undertake studies on issues of the Group; and to consider special problems that exist, or may arise, in the international copper economy". By increasing market transparency and fostering the

exchange of information, it aims at a more balanced growth of the copper economy.

29. As at 30 June 1995, the following were the members of the International Copper Study Group: Belgium; Canada; Chile; China; European Economic Community; Finland; France; Germany; Greece; Indonesia; Italy; Japan; Luxembourg; Mexico; Netherlands; Norway; Peru; Philippines; Poland; Portugal; Spain; United States of America; and Zambia.

Iron ore

30. With a view to improving market transparency and promoting a regular dialogue between iron ore producers and consumers, the Intergovernmental Group of Experts on Iron Ore, which is part of the intergovernmental machinery of UNCTAD, has been fulfilling its main role of strengthening international co-operation on iron ore issues. As the only study-group type of forum exclusively devoted to iron ore, at its annual sessions the Group attracts experts who are policy-makers in government and industry in about 40 countries representing all those involved to any significant extent in world trade of iron ore, with the exceptions of China and Mauritania. Over these years, the Expert Group has been active in improving statistics and market transparency, reviewing and monitoring the market situation and outlook for iron ore, and facilitating closer co-operation through regular exchanges of views and information on issues of concern to the iron ore industry worldwide. UNCTAD also publishes, on a regular basis, statistics and market reports on iron ore. By the end of 1995 the Intergovernmental Group of Experts on Iron Ore will have held four sessions (in October 1992, 1993, 1994 and 1995). At each of its sessions, the Group has reviewed iron ore statistics and the current situation and outlook for iron ore, and discussed the question of the bibliography of relevant studies on iron ore on the basis of documents prepared by the secretariat. In addition, at all sessions experts from Governments and industry have reported on developments in their national markets and the activities of their companies.

Olive oil and table olives

31. The International Agreement on Olive Oil and Table Olives, 1986 (TD/OLIVE OIL.8/7), which was due to expire on 31 December 1993, was amended and extended by the Protocol (TD/OLIVE OIL.9/6) established on 10 March 1993 by the United Nations Conference on Olive Oil and Table Olives, 1993. The 1986 Agreement, as amended and extended, and the Protocol constitute a single instrument, i.e. the International Agreement on Olive Oil and Table Olives, 1986, as amended and extended, 1993.

32. The major objectives of the 1993 Agreement cover the following areas: international cooperation and concerted action; modernization of olive cultivation and olive oil extraction; expansion of international trade in olive products; and standardization of international trade in olive products. The International Olive Oil Council is to continue to promote any activities conducive to the harmonious expansion of the world olive-products economy by every means and encouragement in its power in the fields of production, consumption and international trade. It is also authorized to undertake or arrange for the undertaking of studies or other work, including the collection of detailed information on special assistance in different forms to the olive-growing and olive-products industries. The new Agreement includes a provision whereby due consideration should be given to environmental aspects at all stages of olive and olive oil production.

33. The Protocol is to continue in force until 31 December 1998. The Council may decide to prolong the Protocol beyond 31 December 1998 for successive periods not exceeding two years on each occasion. As at 30 June 1995, the following were the members of the Agreement: Algeria; Cyprus; Egypt; European Economic Community; Israel; Morocco; Tunisia; Turkey; and Yugoslavia.

Natural rubber

34. The International Natural Rubber Agreement, 1987 (TD/RUBBER.2/16/Rev.1), originally due to expire at the end of its initial five-year period on 28 December 1993, was extended twice until 28 December 1995. The United Nations Conference on Natural Rubber, 1994, which met in three parts in 1994 and 1995, established the text of the International Natural Rubber Agreement, 1995 (TD/RUBBER.3/11). The 1995 Agreement was opened for signature at United Nations Headquarters from 3 April 1995 to 28 December 1995 inclusive. The Agreement will enter into force definitively on 29 December 1995 or on any date thereafter, if by that date Governments accounting for at least 80 per cent of net exports, and Governments accounting for at least 80 per cent of net imports, have deposited their instruments of ratification, acceptance, approval or accession, or have assumed full financial commitment to this Agreement. The Agreement will remain in force for a period of four years. It may be extended by a period or periods not exceeding two years in all.

35. The main features of the 1995 Agreement are much the same as those of the 1987 Agreement and its predecessor of 1979. It maintains the same objectives, the most important of which are to stabilize prices and to achieve a balanced growth of demand and supply. As in the 1979 and 1987 Agreements, natural rubber prices are to be stabilized through the operations of an international natural rubber Buffer Stock of 550,000 tonnes as the sole instrument of market intervention. The 1995 Agreement maintains the basic structure of the price range. The reference price on entry into force of the Agreement will be the reference price at the time of the expiry of the 1987 Agreement on 28 December 1995. The lower indicative price on entry into force will be 157 Malaysian/Singapore cents per kilo. It was 150 Malaysian/Singapore cents per kilo under the 1979 and 1987 Agreements. The upper indicative price remains unchanged at 270 Malaysian/Singapore cents per kilo, the level set under both previous Agreements.

Sugar

36. The International Sugar Agreement, 1992 (TD/SUGAR.12/6/Rev.1) was established on 20 March 1992 by the United Nations Sugar Conference, 1992. The 1992 Agreement replaced the International Sugar Agreement, 1987, which was due to expire on 31 December 1992. The new Agreement entered into force on 20 January 1993.

37. The objectives of the 1992 Agreement are: to ensure enhanced international cooperation in connection with world sugar matters and related issues; to provide a forum for intergovernmental consultations on sugar and on ways to improve the world sugar economy; to facilitate trade by collecting and providing information on the world sugar market and other sweeteners; and to stimulate demand for sugar, particularly for non-traditional uses. The Council was requested to establish a Committee on Sugar Market Evaluation, Consumption and Statistics. The Committee is to keep under continuous review matters relating to the world economy of sugar and other sweeteners.

38. The Agreement does not contain measures aimed at regulating price levels. However, pursuant to article 35 of the Agreement, the International Sugar Council may study the feasibility of negotiating a new international sugar agreement, including a possible agreement with economic provisions. The Council may request the Secretary-General of UNCTAD to convene a negotiating conference. The major difference between the new agreement and the previous international sugar agreements is the introduction of a single list of members for the purposes of

calculation of votes and members' contributions to the administrative budget of the Organization.

39. The Agreement is to remain in force until 31 December 1995. The Council may extend the Agreement beyond 31 December 1995 for successive periods, not exceeding two years on each occasion. As at 30 June 1995, the membership of the 1992 Agreement was as follows: Argentina; Australia; Austria; Belarus; Belize; Brazil; Colombia; Côte d'Ivoire; Cuba; Dominican Republic; Ecuador; European Economic Community; Fiji; Guatemala; Guyana; Hungary; India; Jamaica; Japan; Latvia; Malawi; Mauritius; Panama; Republic of Korea; South Africa; Swaziland; Switzerland; Thailand; Trinidad and Tobago; Ukraine; and Zimbabwe.

Tropical timber

40. The International Tropical Timber Agreement, 1994 (TD/TIMBER.2/16) was established on 26 January 1994 by the United Nations Conference for the Negotiation of a Successor Agreement to the International Tropical Timber Agreement, 1983. The Agreement was opened for signature at United Nations Headquarters from 1 April 1994 until one month after the date of its entry into force. The International Tropical Timber Council, at its second special session held in Geneva on 21 January 1994, decided, inter alia, that in accordance with Article 42(3) of the International Tropical Timber Agreement, 1983, the Agreement be extended until the entry into force of the successor Agreement. The successor Agreement was to enter into force definitively on 1 February 1995; it did not, but may do so on any date thereafter, if 12 Governments of producing countries holding at least 55 per cent of the producers' total votes and 16 Governments of consuming countries holding at least 70 per cent of the consumers' total votes have signed the Agreement definitively or have ratified, accepted or approved it or acceded thereto.

41. The Agreement does not include economic mechanisms. However, the new Agreement establishes a fund for sustainable management of tropical-timber-producing forests called the "Bali Partnership Fund". This is designed to assist producing members to make the investments necessary to achieve the objectives of the Agreement. With regard to trade discrimination, it is stipulated that nothing in the Agreement authorizes the use of measures, particularly as they concern imports and utilization, to restrict or ban international trade in timber and timber products. The Agreement stipulates that the Council shall review the scope of the Agreement four years after its entry into force.

42. At the time of the adoption of the resolution establishing the Agreement, the consumers made a formal statement of commitment in connection with the implementation of appropriate guidelines and criteria for sustainable management of their forests comparable to those developed by the International Tropical Timber Organisation (text in TD/TIMBER.2/16, p. 10).

43. The Agreement is to remain in force for a period of four years. The Council may extend the Agreement for two periods of three years each. As at 30 June 1995, the following had completed the necessary procedures to become Parties to the new Agreement: Cambodia; Fiji; Indonesia; Japan; Liberia; Malaysia; New Zealand; Norway; and Panama.

Tungsten

44. The Intergovernmental Group of Experts on Tungsten held three sessions (in December 1992, November 1993 and November 1994). At each session, the Group

examined statistics and reviewed the current market situation and outlook on the basis of reports and background documents prepared by the secretariat. An item on consideration of industry views on particular aspects of the tungsten industry was handled at both the first and the second sessions through informal discussions among participants, including presentations by industry representatives. At its first session, the Group considered three project proposals which could be submitted for possible financing under the Second Account of the Common Fund for Commodities. None of these proposals has as yet been submitted to the Common Fund. In view of insufficient participation in its work, the Group decided, at its third session, to remit to the fourth session of the Standing Committee on Commodities the question of the determination of the date of its fourth session. The Group also requested the secretariat to pursue its collection and dissemination of statistics on tungsten and its review of the tungsten market.

Wheat

45. The International Wheat Agreement, 1986, comprising two Conventions, i.e. the Wheat Trade Convention, 1986, and the Food Aid Convention, 1986, was due to expire on 30 June 1995 and was replaced by the International Grains Agreement, 1995, established under the auspices of the International Wheat Council. The 1995 Agreement, like its predecessor, consists of two Conventions which entered into force on 1 July 1995.

46. The new Grains Trade Convention, 1995 (GTC) is designed to further grain market stability and world food security by making available accurate, comprehensive and timely information to market participants and by providing a forum where Governments may discuss their concerns and engage in formal and informal consultations. The GTC gives scope for the further expansion and refinement of the statistical and market information services. Through the International Grains Council's activities, including the annual World Grain Conferences, contacts are to be fostered between government officials, producers, traders and others concerned with the grain industry.

47. Pursuant to article 22, the Council may, at an appropriate time, examine the possibility of the negotiation of a new international agreement or convention with economic provisions. The Council may, when it is judged that such a negotiation could be successfully concluded, request the Secretary-General of UNCTAD to convene a negotiating conference.

48. The Convention is to remain in force until 30 June 1998. The Council may extend the Convention beyond 30 June 1998 for successive periods not exceeding two years on each occasion.

49. As at 30 June 1995, the following were members of the Grains Trade Convention, 1995: Algeria; Argentina; Australia; Canada; Cuba; European Community; Holy See, Hungary; India; Japan; Mauritius; Morocco; Netherlands; Norway; Republic of Korea; Switzerland; Tunisia; and Turkey.

50. The basic principles of the Food Aid Convention, 1995 (FAC) are the same as those of its predecessor, namely to secure a guaranteed annual supply of grains suitable for human consumption for the benefit of developing countries, especially low-income countries. Donor Governments' commitments were reduced. The combined total of their minimum annual contributions (in wheat equivalent) is now 5.35m tons, compared with 7.52m previously. As before, however, it is expected that many donors will be able to ship more than the specified minima, and the objective - to supply

10m tons of food aid to developing countries through a joint effort by the international community - remains unchanged.

Contributions are to be supplied to the maximum extent possible as gifts of grains or grants of cash.

51. The Convention is to remain in force until and including 30 June 1998. It may be extended beyond 30 June 1998 for successive periods not exceeding two years on each occasion, provided always that the Grains Trade Convention, 1995, or a new Grains Trade Convention replacing it, remains in force during the period of the extension.

52. As at 30 June 1995, the following were members of the Food Aid Convention, 1995: Australia; Belgium; Canada; Denmark; European Community; France; Germany; Italy; Japan; Norway; Spain; Sweden; and Switzerland.

Bauxite

53. An Ad Hoc Review Meeting on Bauxite was held in May 1991. Following the adoption of the work programme of the Standing Committee on Commodities, a Second (April 1993) and Third (May 1994) Ad Hoc Review Meeting were held, and their reports were submitted to the Standing Committee on Commodities. Both Meetings assessed developments in the international markets of bauxite/alumina/aluminium on the basis of documents prepared by the secretariat. The third Meeting also reviewed the accuracy and completeness of available statistics on these commodities and possible measures to be taken thereon. Informal consultations were held with interested Governments on 11 May 1995. At that point, none of the Governments represented at the consultations considered that a fourth meeting was needed. Accordingly, it was accepted that no such meeting would be scheduled. It was agreed that, should a Government or a group of Governments later request that a meeting on bauxite be held, such a request would be the subject of further consultations with interested Governments.

Other commodities

54. Producer consumer cooperation initiated in UNCTAD continued on nickel[3], in the context of the International Nickel Study Group, established by the United Nations Conference on Nickel, 1985; and on jute and jute products, under the authority of the International Jute Organization, which administers the International Agreement on Jute and Jute Products, 1989. Producer-consumer cooperation was also continued by FAO, inter alia on bananas, citrus fruit, kenaf and allied fibres, meat, tea, rice, vegetable oils and wine and vine products; by the International Cotton Advisory Committee on cotton; and by the World Trade Organization in respect of meat and dairy products.

IV. Future work programme of the Committee

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3 As regards tin, terms of reference for an International Tin Study Group, were established by the United Nations Tin Conference, 1988.

55. The above review of the work undertaken by the Committee since its inception following UNCTAD VIII may be seen to serve as a reminder not only that the range of issues in the commodities field is extremely vast, but also that at its third and fourth sessions, the Committee wisely limited the scope of its deliberations to well-focused and apposite issues which could adequately be tackled within the confines of intergovernmental deliberation in an institution

whose vocation remains primarily analytical and policy-oriented, rather than technical or financial.[4]

56. An important factor in decisions which UNCTAD IX will take on the future work programme of the Committee will be the outlook for the international commodity economy over the years following the Conference. From the perspective of the UNCTAD secretariat, a number of considerations seem to be particularly important in this respect.

57. First, growth in world population and income will be important determinant factors in the longer-term trends in commodity markets. The United Nations Statistical Office has projected world population to rise from about 5.3 billion in 1990 to over 8 billion in 2020. In and of itself, this demographic growth will have major effects on overall demand for commodities; when coupled with income growth, the effect will be multiplied. Moreover, the distribution of this growth (both demographic and income) is expected to be quite uneven. As a result, it is anticipated that demand for commodities will grow especially strongly in Asia and, following the transition period, in Eastern Europe and the former Soviet Union. By contrast, with a slow growth in both population and income per capita projected for the OECD countries over the next two decades, that region's contribution to growth in commodity consumption can be expected to diminish significantly.

58. Second, the conclusion of the Uruguay Round is widely forecast to lead to income growth over and above that which would otherwise occur, further stimulating commodity exports. It will also have a modest positive impact deriving from the reductions agreed in domestic support, export subsidies and import barriers in agriculture, and tariff reductions in minerals and metals.[5] However, significant distortions, particularly in agricultural trade, will continue even after the full implementation of the Round, unless further liberalising measures are agreed. Other liberalisation schemes, these on a regional basis (such as NAFTA, AFTA and the proposed FTAA (Free Trade Area of the Americas)), may also have some positive impact on commodity trade, although it seems likely that much of this impact - other than that through income growth - will come in the form of changes in the direction of trade, rather than its level.

59. Third, although fundamental factors of physical demand and supply will undoubtedly continue to create fluctuations in commodity markets which will impact much more heavily on the developing than the developed countries because of the importance of commodity markets in both the export earnings and employment of developing countries,[6] financial factors are likely to play an increasingly important role. Investment in commodities is not new, but it has not assumed major importance in the past because of investor perceptions that the rate of return on

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[4] In this connection, it will be recalled that para. 50 of the Cartagena Commitment stated that "the functions of UNCTAD comprise policy analysis; intergovernmental deliberation, consensus building and negotiation; monitoring, implementation and follow-up; and technical cooperation".

[5] For a detailed examination of the impact of the Uruguay Round on commodities, see documents TD/B/CN.1/30 and Add. 1 prepared for agenda item 4 of the present session.

[6] In developing countries in the early 1990s, one-half to two-thirds of the work-age population was typically engaged in agriculture alone, as contrasted with about five per cent in the OECD countries.

commodity-based securities does not keep pace with that on other securities. Recent evidence suggests that that perception is changing. Indeed,

some major investment houses now recommend that an investor diversify his portfolio by substituting commodities for a small[7] portion of an equity-bond portfolio. Doing so, it is argued, can significantly reduce the riskiness of the portfolio without also significantly reducing its expected return.[8]

60. At the same time, there has occurred a veritable explosion of flows of speculative funds into and out of the various asset markets (including commodity markets) over the last three years, so much so that such funds are frequently the predominant influence in some markets (particularly those for foreign exchange), largely displacing the underlying fundamentals.[9] This has occurred at the same time as there has been a generalised upswing (undoubtedly temporary, if past history is a reliable guide) in non-oil commodity prices, fuelled in part by fundamental (demand and supply) factors and in part by the financial flows themselves. Although posing a challenge to regulators and possibly (the evidence is not yet clear on this point) destabilising some markets, the advent of significant new liquidity has made feasible the use (and, where necessary, establishment) of futures markets to provide price and income risk assurance for market participants[10].

61. Fourth, there is increasing concern among the consumers of the OECD countries, likely to be followed in the medium-term future by consumers elsewhere, about the impact on the environment and on human health of methods of production of commodities, especially food commodities. This concern is expressing itself in the marketplace, in domestic policy debate, and at the international negotiating table.[11] To the extent that this concern translates itself also into a broad-based acceptance of the need for change in the pattern and pace of consumption activity and of the associated relative price changes, it may present an opportunity for a very significant expansion in trade of environmentally preferable natural products.

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[7] Suggested to be less than ten per cent.

[8] See Gilbert, C.L. and C. Brunetti, "Commodity price volatility in the nineties", forthcoming in Euromoney.

[9] See Gilbert, C.L., "Commodity Funds Activity and the World Cocoa Market", London Commodity Exchange, 1994.

[10] Active futures markets exist for a number of commodities of export interest to developing countries, including coffee, cocoa, cotton, sugar, wheat and tib. To the extent that the spot and futures market prices for commodities are closely linked, the futures market can play an important role in price discovery as well as price insurance.

[11] Thus, for example, environmental groups in California succeeded in forcing a referendum on "Big Green", a series of proposals which would have created extremely high standards for permissible levels of chemical residues in food products. NAFTA contains an agreement whereby each member may set its own domestic standards for food safety at whatever levels it decides, regardless of international standards (which, under the SPS agreement of the Uruguay Round, are supposed to prevail unless scientific proof of the need for higher standards can be adduced). FAO's Codex Alimentarius has recently joined the fray by accepting the use of certain hormonal growth stimulants in beef, use of which is banned by the EU. These examples are likely to be multiplied in the years to come.

62. This trend may also spur interest in the design and implementation of national and international policies which would promote sustainable and efficient use of natural resources, as well as maintain and improve environmental quality. This could be an important change, since the process of liberalization is

creating challenges to such natural resource management - which is essentially long-term in nature - because the emphasis on private sector activity, and the concomitant retreat of government, has entailed in recent years a shift in time preference towards the short term.

63. In designing the future work programme of the Committee, a number of additional considerations, of a more analytical nature, would also need to be taken into account.

64. First, it is important to distinguish clearly the causes of instability in commodity prices. Instability arises from the interaction of a potentially variable supply with a relatively inelastic demand. Supply shocks tend to be microeconomic in origin (be they due to weather, disease or inadequate tending in agricultural crops, or factors such as accidents or strikes in mineral commodities), whereas demand shocks tend to originate from macroeconomic causes. More attention would seem to have to be given in the future to the implications which this dichotomy has for approaches to minimising the amplitude, frequency and impact of such instability.

65. Second, whatever mechanisms be used to palliate instability, they are likely to be essentially short-term in nature. In the medium and long term, diversification away from commodities in oversupply, or for which a country is a high-cost producer, would seem to be an essential condition for expanded growth.[12] Such diversification could be within the commodity sector, in either a horizontal or vertical direction, or completely outside the sector, into manufacturing or services,[13] depending on resource endowments, infrastructure, technologies and marketing possibilities. Flexibility in identifying new opportunities and in responding to them would appear to be an extremely important factor in success with any such diversification. Such flexibility requires easy access to production and market information, investment and trade capital, technology and marketing networks: a sound macroeconomic framework, although necessary, is not sufficient. There would appear to be an important role here for Governments and the international community.

66. Third, although the longer-term factors discussed above suggest that demand for commodities can be expected to grow significantly in the next two decades,[14] it is not clear to what extent such demand growth will be met by increased prices of commodities exported by developing countries, an important consideration for these countries since even the recent rises observed in nominal dollar-denominated prices

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[12] This is not to suggest that specialisation in commodities cannot be successful in generating growth. Many countries have successfully turned their commodity economies into engines for growth. They have done so, however, when they have been highly productive, low-cost producers possessing (or having generated) the necessary physical, financial and human capital.

[13] What might be called "diagonal" diversification.

[14] And this despite a tendency (the empirical strength of which is open to debate - see Hoffmann, U. and D. Zivkovic, "Demand growth for industrial raw materials and its determinants: an alaysis for the period 1965-1988", UNCTAD Discussion Paper No. 50, November 1992) towards "dematerialisation" in the highest technology uses of commodities as inputs to industrial processes.

have for most commodities only barely dented the decline in real prices experienced since 1970. Falling export prices over the 1980s and early 1990s have depressed the export earnings of most developing countries, particularly African countries, notwithstanding increased export volumes, intensifying the economic and developmental problems facing these countries. Moreover, the terms of trade for those commodities in which the poorest

developing countries specialise have evolved much less favourably over this period than for those commodities exported by the richer countries, and this trend is expected to continue.

67. In the light of all the considerations enunciated above, in the secretariat's view, the three broad areas identified by Governments for examination at UNCTAD IX provide a sound starting point for the development of a work programme on commodities in the post UNCTAD IX period. Articulated around these three areas, the work programme might cover a number of the following points:

A. Instability and risks facing commodity producers

1. Identification and analysis of, and national experiences with, practical mechanisms for the management of risks of commodity production and trade.

2. Identification of specific forms of international cooperation to improve access to commodity finance.

3. Analysis of the implications for instability and risk of portfolio investment in commodities.

4. Analysis of the impact of market integration on the development and viability of commodity exchanges.

B. Promotion of commodity diversification

1. Identification and analysis of the main opportunities for, and constraints inhibiting, expanded exports by developing countries of non-traditional commodities, including environmentally preferable products.

2. Analysis of the impact of domestic economic restructuring on commodity diversification and trade.

3. The role in commodity diversification of resource endowments, foreign direct investment, technology diffusion and policies with regard to human development and marketing.

4. Identification and analysis of opportunites created by the Uruguay Round for, inter alia, horizontal diversification and increased domestic processing in developing countries.

C. The efficient management of natural resources

1. Identification of cooperative multilateral approaches to the internalisation of environmental benefits and costs, including their reflection in the prices of resource-based products and/or their synthetic competitors.

2. Analysis of the impact of macroeconomic policies and inter-sectoral

linkages on the management of natural resource development.

3. New approaches to managing natural resources: the use of resource assessment methods, national accounting frameworks and other instruments for integrating the environment and development aspects of natural resource exploitation.

4. Analysis of policies for recycling and more sustainable global consumption and production patterns, and their implications for natural resource management.

68. Three further areas deserve attention: producer-consumer cooperation, technical assistance and work on mineral resources. With regard to the former, it should be noted that paragraph 12 of General Assembly resolution 49/104 of 19 December 1994 "urges producers and consumers of individual commodities to intensify their efforts aimed at reinforcing mutual co-operation and assistance". This has been a traditional area of UNCTAD's work and remains, in the secretariat's view, a valid one: views on the precise form which such cooperation should take may (and do) evolve over time, but whether cooperation is in the form of price-stabilising ICAs, of formally constituted study or expert groups, or simply of review meetings held under the auspices of UNCTAD, it is likely that it will continue and important that it should.

69. Equally important is the development and expansion of technical assistance activities to put practical flesh onto the bones of decisions reached by the Committee. Although such activities are, as indicated above, not the primary vocation of UNCTAD, they are playing an increasingly important role in bringing the expertise developed in the secretariat into on-site application in developing countries in need of such assistance. Such activities are typically developed and backstopped by the secretariat, in conjunction with donors, but it is important that the Committee periodically review, and continuously support, well formulated and targeted projects which can help developing countries to manage their commodity sectors better.

70. With regard to work on mineral resources, the Committee may recall that the United Nations global mandate for mineral resources was assigned to UNCTAD in the UN Secretariat reorganization of 1994. In paragraph 13 of resolution 49/104, the General Assembly welcomed this assignment to UNCTAD and urged "that efforts be made to mobilize financial resources to allow the Conference, in close collaboration with the regional commissions, to expand its technical assistance to developing countries in that area". Since no financial resources have yet materialized, it has not been possible so far to expand UNCTAD's technical assistance activities in this area. The secretariat has nevertheless acquired a considerable amount of expertise on mineral sector issues, for example on the role of mineral resources in economic development and on environmental aspects of mineral resource exploitation. Moreover, UNCTAD has a unique collection of statistical data on minerals and metals, with global coverage of production, consumption and trade for a wide range of mineral commodities. The Standing Committee may thus wish to consider how to maximize the benefits at the intergovernmental level from the secretariat's activities in this area, for example through the creation of a standing body on mineral resources.

71. In the light of the above considerations, the Standing Committee may wish to recommend to the Trade and Development Board (which will meet in special session to prepare UNCTAD IX just a few weeks after the fourth session of the Committee) the broad outlines of the work programme on commodities it would envisage in the period

following UNCTAD IX.

Annex

A. Policy level and background documentation provided by the UNCTAD secretariat in connection with the work programme of the Standing Committee on Commodities

1. Documents submitted to the first session of the Standing Committee on Commodities

(i) Policy documents

1. "Issues for consideration in the establishment of the work programme: note by the UNCTAD secretariat" (TD/B/CN.1/2)

2. "Previous work in UNCTAD on tungsten and iron ore: note by UNCTAD secretariat" (TD/B/CN.1/4)

(ii) Background documents

3. "Report on world commodity trends and prospects, with particular emphasis on commodity-dependent developing countries in the light of the outcome of the eight session of the United Nations Conference on Trade and Development" (A/47/348)

4. "Report of the Intergovernmental Group of Experts on Iron Ore on its fifth session" (TD/B/C.1/319)

5. "Report of the Ad Hoc Meeting on Tungsten" (TD/B/CN.1/TUNGSTEN/2)

6. "Report of the Ad Hoc Meeting on Bauxite" (TD/B/1296)

2. Documents submitted to the second session of the Standing Committee on Commodities

(i) Policy documents

1. "Analysis of ways of improving the efficiency and use of existing mechanisms for the management of risks arising from commodity price fluctuations" (TD/B/CN.1/10 and Add.1)

2. "Review of developments in the field of compensatory financing of export

earnings shortfalls" (TD/B/CN.1/11 and Add.1)

3. "Identification for consideration of areas in which technical cooperation should be strengthened" (TD/B/CN.1/12)

4. "Identification and analysis of factors affecting commodity markets with a view, inter alia, to reducing distortions" (TD/B/CN.1/13)

5. "Analysis of national experiences in horizontal and vertical diversification, including the possibilities for crop substitution" (TD/B/CN.1/14)

6. "Experiences concerning environmental effects of commodity production and processing: synthesis of case studies on cocoa, coffee and rice" (TD/B/CN.1/15)

7. "Analysis on national experiences in the management of natural resources with regard to commodity production: mineral resources and sustainable development" (TD/B/CN.1/16)

(ii) Background documents

8. "Sustainable development and international economic cooperation: Commodities; the commodity situation, developmental linkages between the commodity sector and other sectors, and actions required to develop such linkages in the context of diversification" (A/49/226)

9. "Sustainable development, intensity of resource use and international market structures for agricultural products" (UNCTAD/COM/8)

10. "Market conditions and sustainable development of fishery resources"(UNCTAD/COM/9)

11. "The links between market conditions: intensity of resource use and environmental impact: the case of mining" (UNCTAD/COM/11)

12. "The links between market conditions and intensity of use of forest resources" (UNCTAD/COM/12)

13. "Report on the round table meeting on the links between market conditions and the intensity of resource use, in particular environmental effects" (UNCTAD/COM/13)

14. "Considerations on a possible application by the Intergovernmental Group of Experts on Iron Ore to the Common Fund for Commodities" (UNCTAD/COM/14)

15. "A survey of commodity risk management instruments" (UNCTAD/COM/15)

16. "Technical and regulatory conditions influencing participation in, and usage of, commodity exchanges by both buyers and sellers of commodities" (UNCTAD/COM/16)

17. "Coffee and cocoa: production and processing in Brazil" (UNCTAD/COM/17)

18. "L'impact de la culture du cacao et du café sur l'environnement" (UNCTAD/COM/18)

19. "Case study on eco-farming in China with special emphasis on rice" (UNCTAD/COM/19)

20. "Environmental impact of coffee production and processing in El Salvador and Costa Rica" (UNCTAD/COM/20)

21. "Natural rubber and the environment: a review" (UNCTAD/COM/21)

22. "Rice and the environment: environmental impact of rice production, policy review and options for sustainable rice development in Thailand and the Philippines" (UNCTAD/COM/22)

23. "The effects of producing and processing cocoa on the environment: a case study of Nigeria" (UNCTAD/COM/23)

24. "L'impact de la production et de la transformation du café, du cacao et du riz sur l'environnement en Côte d'Ivoire" (UNCTAD/COM/24)

25. "Report of the Intergovernmental Group of Experts on Iron Ore on its first session (TD/B/CN.1/5) and on its second session" (TD/B/CN.1/17)

26. "Report of the Intergovernmental Group of Experts on Tungsten on its first session (TD/B/CN.1/7) and on its second session"(TD/B/CN.1/18)

27. "Report of the Second Ad Hoc Meeting on Bauxite" (TD/B/CN.1/RM/BAUXITE/4)

3. Documents submitted to the third session of the Standing Committee on Commodities

(i) Policy documents

1. "Analysis of ways and means to improve market opportunities for commodities in the medium term, with emphasis on examination of the best ways of achieving diversification, taking into account competitiveness, market trends and opportunities" (TD/B/CN.1/24)

2. "Identification of means by which competitiveness of natural products with environmental advantages could be improved; Reducing the environmental stress of consumption without affecting consumer satisfaction" (TD/B/C.1/25)

(ii) Background documents

3. "Structural changes in the world minerals industry during the 1980s" (UNCTAD/COM/25)

4. "The internalization of environmental costs and resource values: a conceptual study" (UNCTAD/COM/27)

5. "The mineral sector in Peru" (UNCTAD/COM/28)

6. "The future of mining countries: New strategies or the restructuring of the State?" (UNCTAD/COM/29)

7. "Analysis of national experiences in horizontal and vertical diversification, including the possibilities for crop substitution: Colombia" (UNCTAD/COM/30)

8. "Market trends and recent developments in marketing of natural rubber" (UNCTAD/COM/31)

9. "Market trends and commodity development for cotton" (UNCTAD/COM/32)

10. "Trade and industrial policy for sustainable resource-based development: policy issues, achievements and prospects" (UNCTAD/COM/33)

11. "The world sugar market" (UNCTAD/COM/35)

12. "The world lead market in the 1990s: a review of developments" (UNCTAD/COM/36)

13. "A review of major developments in the world copper market and industry from 1980 to 1992 and future prospects" (UNCTAD/COM/37)

14. "The mineral sector in Indonesia" (UNCTAD/COM/38)

15. "Environmental aspects of bauxite and aluminium production in Indonesia" (UNCTAD/COM/39)

16. "Environmental legislation for the mining and metals industries in Asia" (UNCTAD/COM/40)

17. "The environmental effects of agricultural production and related measures" (UNCTAD/COM/42)

18. "Enhanced recuperation and recycling" (UNCTAD/COM/43)

19. "Report of the Intergovernmental Group of Experts on Iron Ore on its third session" (TD/B/CN.1/21)

20. "Report of the Ad Hoc Meeting on Bauxite, 1994 (TD/B/CN.1/RM/BAUXITE/9)

21. "Report of the Ad Hoc Group of Experts on risk management in commodity trade" (TD/B/C.1/22)

4. Documents being submitted to the fourth session of the Standing Committee on Commodities

(i) Policy documents

1. "Examination of the manner in which prices on natural commodities and their synthetic competitors could reflect environmental costs, taking into account policies relating to the use and management of natural resources and sustainable development" (TD/B/C.1/29)

2. "Analysis of the evolution of prices and trade of commodities to be expected in the light of the Uruguay Round, with particular emphasis on their implications for developing countries, including their diversification prospects" (TD/B/CN.1/30 and Add.1)

3. "Review of the work programme of the Standing Committee on Commodities with special emphasis on the preparations for UNCTAD IX" (TD/B/CN.1/31)

(ii) Background documents

4. "Environmental problems and commodity trade in the Commonwealth of Independent States: an overview - cotton and rice in the Aral Sea region" (UNCTAD/COM/44)

5. "Management of natural resources and the environment in Zimbabwe: the case of gold" (UNCTAD/COM/45)

6. "Analysis of national experiences in horizontal and vertical diversification, including the possibilities of crop substitution: Solomon Islands" (UNCTAD/COM/46)

7. "Commodity export policies and strategies in African countries in a process of structural adjustment: cotton, tea and horticultural products" (UNCTAD/COM/47)

8. "Case study on the national experience of the U.R. of Tanzania in horizontal and vertical diversification, including possibilities of crop substitution" (UNCTAD/COM/48)

9. "Environmental aspects of bauxite, alumina and aluminium production in Brazil"(UNCTAD/COM/49)

10. "A review of major developments in the world zinc market in the 1990s" (UNCTAD/COM/50)

11. "Review of environmental damage estimates in agriculture and internalization measures" (UNCTAD/COM/52)

12. "Internalization of environmental damages in agriculture" (UNCTAD/COM/53)

13. "Market situation and outlook for tin, 1994" (UNCTAD/COM/54)

14. "Review of current market developments on manganese" (UNCTAD/COM/55)

15. "Proceedings of the Seminar on Capacity Building for Environmental Management in Asian/Pacific Mining" (UNCTAD/COM/60)

16. "Economic role of tobacco production and exports in countries depending on tobacco as a major source of income" (UNCTAD/COM/63)

17. "Recent and planned changes in the production capacity for bauxite, alumina and aluminium" (UNCTAD/COM/RDS/1)

18. "Report of the Intergovernmental Group of Experts on Tungsten on its third session" (TD/B/CN.1/27)

19. "Report of the Intergovernmental Group of Experts on Iron Ore on its fourth session" (TD/B/CN.1/IRON ORE/20)

5. Reports submitted to the meetings of the Intergovernmental Group of Experts on Iron Ore

1. "Iron ore statistics 1982 - 1991" (TD/B/CN.1/IRON ORE/2)

2. "Review of current situation and outlook for iron ore - 1992" (TD/B/CN.1/IRON ORE/3)

3. "Annotated bibliography on iron ore - 1992" (TD/B/CN.1/IRON ORE/4)

4. "Iron ore statistics 1983-1992" (TD/B/CN.1/IRON ORE/7)

5. "Review of the current situation and outlook for iron ore - 1993" (TD/B/CN.1/IRON ORE/8)

6. "Annotated bibliography on iron ore - 1993" (TD/B/CN.1/IRON ORE/9)

7. "Iron ore statistics 1986-1993" (TD/B/CN.1/IRON ORE/12)

8. "Review of the current situation and outlook for iron ore - 1994" (TD/B/CN.1/IRON ORE/13)

9. "Annotated bibliography on iron ore - 1994" (TD/B/CN.1/IRON ORE/14)

10. "Iron ore statistics 1987-1994" (TD/B/CN.1/IRON ORE/17)

11. "Review of the current situation and outlook for iron ore - 1995" (TD/B/CN.1/IRON ORE/18)

12. "Annotated bibliography on iron ore - 1995" (TD/B/CN.1/IRON ORE/19)

6. Reports submitted to the meetings of the Intergovernmental Group of Experts on Tungsten

1. "Recent developments and short-term outlook in the tungsten market" (TD/B/CN.1/TUNGSTEN/3)

2. "Project proposals submitted to the UNCTAD secretariat by the People's Republic of China" (TD/B/CN.1/TUNGSTEN/4)

3. "Project proposals received by the UNCTAD secretariat: Proposals by the International Tungsten Industry Association" (TD/B/CN.1/TUNGSTEN/AC/3 and Add.1)

4. "Project proposals received by the UNCTAD secretariat" (TD/B/CN.1/TUNGSTEN/AC/2)

5. "Review of the current market situation and medium and long-term outlook, 1993" (TD/B/CN.1/TUNGSTEN/7)

6. "Review of the current market situation and medium and long-term outlook, 1994" (TD/B/CN.1/TUNGSTEN/10)

7. "Tungsten statistics, 1992" (TD/B/CN.1/TUNGSTEN/STAT/L.59)

8. "Tungsten statistics, 1993" (TD/B/CN.1/TUNGSTEN/STAT/L.60)

9. "Tungsten statistics,1994" (TD/B/CN.1/TUNGSTEN/STAT/L.61)

10. "Review of the current market situation and outlook" (TD/B/CN.1/TUNGSTEN/12)

7. Reports submitted to the Ad Hoc meetings on Bauxite

1. "Market situation and outlook for bauxite, alumina and aluminium, 1993" (TD/B/CN.1/RM/BAUXITE/2)

2. "Bauxite, alumina and aluminium statistics 1982-1992" (TD/B/CN.1/RM/BAUXITE/3)

3. "Market situation and outlook for bauxite, alumina and aluminium, 1994" (TD/B/CN.1/RM/BAUXITE/6)

4. "Review of accuracy and completeness of statistics on bauxite, alumina and aluminium" (TD/B/CN.1/RM/BAUXITE/7)

5. "Bauxite, alumina and aluminium statistics 1987-1993" (TD/B/CN.1/RM/BAUXITE/8)

8. "Reports submitted to the Ad Hoc Group of Experts on Risk Management in Commodity Trade

1. "Risk distribution after liberalization of commodity marketing and problems of access to risk management markets for developing country entities" (TD/B/CN.1/GE.1/2)

2. "Counterpart and sovereign risk obstacles to improved access to risk management markets: issues involved, problems and possible solutions" (TD/B/CN.1/GE.1/3)

B. Other background and parliamentary documents prepared by the UNCTAD secretariat following the establishment of the work programme of the Standing Committee on Commodities

1. "Legal and regulatory aspects of financing commodity exporters and the provision of bank hedging line credit in developing countries" (UNCTAD/COM/56)

2. "The mineral sector of the Dominican Republic" (UNCTAD/COM/61)

3. "America Latina y el mercado mundial del cafe" (LC/L.816)

4. "Trade and Development Report, 1993. Chapter II C - Commodity markets" (UNCTAD/TDR/13)

5. "Standing Committee on Commodities; Comparative tabulation of the work programme" (UNCTAD/PSM/CAS/605)

6. "UN Conference on Olive Oil and Table Olives, 1993: Provisional rules of procedure" (TD/OLIVE OIL.9/2)

7. "International cooperation on olive oil and table olives" (TD/OLIVE OIL.9/3)

8. "Protocol of 1993 extending the International Agreement on Olive Oil and Table Olives, 1986, with amendments" (TD/OLIVE OIL.9/6)

9. "Draft Protocol extending the International Agreement on Olive Oil and Table Olives, 1986, with amendments" (TD/OLIVE OIL.9/R.1)

10. "Note prepared by the UNCTAD secretariat in cooperation with the secretariat of the International Tropical Timber Organisation" (TD/TIMBER.2/3)

11. "Preparation of a successor agreement to the International Tropical Timber

Agreement, 1983. Note by the UNCTAD secretariat" (TD/TIMBER.2/R.1)

12. "Preparation of a successor agreement to the International Tropical Timber Agreement, 1983. Note by the UNCTAD secretariat" (TD/TIMBER.2/R.2)

13. "Preparation of a successor agreement to the International Tropical Timber Agreement, 1983. Note by the UNCTAD secretariat" (TD/TIMBER.2/R.3)

14. "Preparation of a successor agreement to the International Tropical Timber Agreement, 1983. Note by the UNCTAD secretariat" (TD/TIMBER.2/R.4)

15. "Summaries of statements made after the adoption of the Agreement at the closing plenary meeting of the Conference" (TD/TIMBER.2/15)

16. "International Tropical Timber Agreement, 1994" (TD/TIMBER.2/16)

17. "Renegotiation of the International Natural Rubber Agreement, 1987. Note by the UNCTAD secretariat" (TD/RUBBER.3/L.1)

18. "Renegotiation of the International Natural Rubber Agreement, 1987. Note by the UNCTAD secretariat" (TD/RUBBER.3/L.1/Rev.1)

19. "Renegotiation of the International Natural Rubber Agreement, 1987. Proposals submitted by Exporting Countries" (TD/RUBBER.3/EX/CRP.1)

20. "Renegotiation of the International Natural Rubber Agreement, 1987. Proposals submitted by Importing Countries concerning changes to the International Natural Rubber Agreement, 1987" (TD/RUBBER.3/EX/CRP.2)

21. "Adoption of the rules and procedures; Provisional rules and procedures" (TD/RUBBER. 3/2)

22. "Historical development, status and operation of the International Natural Rubber Agreement, 1987" (TD/RUBBER. 3/3)

23. "International Natural Rubber Agreement, 1995" (TD/RUBBER. 3/11)

24. "International Cocoa Agreement, 1993" (TD/COCOA.8/17)

25. "Report of the Chairman of the meeting convened pursuant to the International Cocoa Agreement, 1993" (TD/COCOA.8/18)

26. "International Cocoa Agreement, 1993" (TD/COCOA.8/17/Rev.1)

27. "MICAS. User's manual and guide for data entry"

28. "MICAS. Guide issued to accompany installation of MICAS system in Indonesia, Malaysia, Thailand and the Philippines"

29. "International Tin Statistics, quarterly bulletins" (TD/TIN/STAT/6-13)

30. "Tungsten statistics, quarterly bulletins" (UNCTAD/DMS/Misc.3-11